

February 9, 2006

## Via ECFS

Marlene H. Dortch, Secretary Federal Communications Commission 445 Twelfth Street, SW Washington, DC 20554

Re: Written ex parte presentation – CC Docket No. 99-200

Thousands-block number pooling technical requirements document

Dear Ms. Dortch:

Syniverse Technologies ("Syniverse") is writing to provide additional information for the Commission relevant to the formulation of the request for proposals ("RFP") for the thousands-block Pooling Administrator ("PA") procurement, in response to certain issues raised in the reply comments. Syniverse hopes this information will assist the Commission in formulating the RFP, based on the Technical Requirements Document ("TRD"). Specifically, Syniverse wishes to respond to issues regarding: (1) the transition of the existing pooling administration system to a successor PA contractor and the need for a new system; (2) the NAS/PAS interface; and (3) neutrality issues relating to the sharing of personnel between the PA and other lines of business under the same corporate umbrella.

## Transition of PA System and Need for New System

In its Reply Comments, NeuStar, in its capacity as the incumbent PA contractor, essentially argues that the existing PA system is obsolete and should be replaced.<sup>2</sup> In this regard, Syniverse wishes to draw the Commission's attention to the attached audit report from Commission's Office of the Inspector General ("OIG"). The purpose of the audit was "to determine and report upon NeuStar's compliance with contractual requirements intended to ensure the seamless transfer of the Thousands-Block Pooling system to a successor in the event of the contract's termination or expiration of the term."<sup>3</sup> The audit also valued the PA system assets currently in NeuStar's possession at \$281 thousand, and the "cumulative value of FCC-owned property housed at [NeuStar's] facilities" at \$1.05 million.<sup>4</sup>

The audit report reveals two important facts. First, it confirms that under the current PA contract it has always been the Commission's intention that the existing PA system will be

<sup>&</sup>lt;sup>1</sup> FCC Seeks Comment on the Thousands-Block Pooling Administrator Technical Requirements, CC Docket No. 99-200, Public Notice, DA 05-3102 (rel. Nov. 29, 2005, erratum Dec. 2, 2005) (the "Public Notice"). The Public Notice attached the NANC's proposed technical requirements document (the "TRD").

<sup>&</sup>lt;sup>2</sup> NeuStar PA reply comments at 3.

<sup>&</sup>lt;sup>3</sup> FY 2004 Thousands-Block Pooling System Viability Audit, Audit Report No. 04-AUD-08-15 (FCC OIG Mar. 23, 2005) (attached) at 3.

<sup>&</sup>lt;sup>4</sup> *Id.* at 9.

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available for transition to a successor vendor, consistent with the terms of that *existing* PA contract.<sup>5</sup> Second, it shows that the industry has a substantial investment in the existing PA system which should not lightly be discarded.

Without the opportunity to access and evaluate the source code and other documentation related to performance of the existing system, Syniverse cannot comment on NeuStar's characterization of the system as obsolete. Syniverse also believes that today's technology presents numerous opportunities to improve the existing system. In any event, however, Syniverse urges the Commission to treat with skepticism NeuStar's enthusiasm for a requirement in the RFP that any potential vendor must design and build an entirely new system. Such a requirement would permit NeuStar to argue that other offerors do not need access to the existing system. Retaining information regarding the existing system, in turn, would improperly increase NeuStar's incumbency advantage, making it more difficult for prospective offerors to put forth competitive proposals to the Commission. Such a requirement would also effectively allow NeuStar to retain for itself PA intellectual and other property that is the property of the Commission. It is critical that the Commission avoid requirements that are inconsistent with its obligation not to take action to increase the incumbent's advantage in responding to the RFP.

## **NAS/PAS Interface**

The Commission also must protect the PA procurement against any effort by NeuStar to leverage its position as the North American Numbering Plan Administrator ("NANPA") to undermine competition for the new PA contract. NeuStar argues that the TRD "clearly envisions an interaction between the NANPA and the PAS vendor *after* the contract is awarded, not during the bidding process." As Syniverse and other commenters have noted, however, this is a result of legacy verbiage in the TRD from the original PA procurement, which was written for a new PA that would be "starting from scratch" to build a new system and new interfaces. While it was reasonable to give the *first* PA six months to develop a mechanized interface with the NANC, there is no reason to require that such new interfaces be developed after a new PA vendor is selected when they already exist.

NeuStar's argument about the burdens on the NANPA to work with all prospective PA bidders is a red herring. The point is that the specifications for the *existing* NAS/PAS interface must be made available to prospective offerors so that they can formulate accurate and competitive proposals. This will help ensure the competitiveness of the PA procurement to the benefit of the Commission and the industry.

<sup>&</sup>lt;sup>5</sup> Syniverse comments at 2-3, 5; Syniverse reply comments at 2-3.

<sup>&</sup>lt;sup>6</sup> Syniverse comments at 3.

<sup>&</sup>lt;sup>7</sup> See Syniverse reply comments at 4-5.

<sup>&</sup>lt;sup>8</sup> NeuStar PA reply comments at 4 (emphasis in original).

<sup>&</sup>lt;sup>9</sup> See, e,g., Syniverse comments at 2-3.

<sup>&</sup>lt;sup>10</sup> NeuStar PA reply comments at 4-5.

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## **Sharing of Resources and Neutrality**

In Syniverse's initial comments on section 2.3.7 of the TRD, we pointed out it "is not clear ... that total separation of all employees [between the PA and its parent company or affiliate entities] is necessary" to achieve the unquestioned requirement of PA neutrality. We further observed that "a requirement of total separation of staffing between the PA and its parent and affiliated entities will result in uneconomic staffing and prevent the Commission from obtaining the greatest value for the industry." NeuStar acknowledges as much in its reply comments by stating that it has incurred additional costs "to maintain strict separation between the contractor's employees working on the PA contract and other work of the contractor's business."

Syniverse agrees that the PA's neutrality is vital; we continue to believe that it can be achieved without total separation. Nevertheless, in formulating its proposal in response to the RFP and in serving as PA, if selected, Syniverse will abide by whatever neutrality requirements the Commission includes in the RFP.

Robert F. Garcia, Jr.

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General Counsel

cc (via email): Dennis Dorsey

Cheryl Callahan Mika Savir Marilyn Jones

Attachment (OIG Report)

<sup>&</sup>lt;sup>11</sup> Syniverse comments at 8.

 $<sup>^{12}</sup>$  Id.

<sup>&</sup>lt;sup>13</sup> NeuStar PA reply comments at 2.